

**MINUTES**  
**IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND**  
**PROGRAM**

**October 23, 2008**

**COMMISSIONER'S CONFERENCE ROOM**  
**IOWA INSURANCE DIVISION, 330 EAST MAPLE STREET**  
**DES MOINES, IOWA**

Angela Burke-Boston, sitting in for Chairperson Susan Voss, called the Iowa UST Board meeting to order at 10:02 A.M. A quorum was present. Roll call was taken with the following Board members present:

Nancy Lincoln (via telephone)  
Doug Beech  
Kyle Rice (for Michael Fitzgerald)  
Tim Hall (for Richard Leopold)  
Jeff Robinson

Also present were:

David Steward, Attorney General's Office  
Scott Scheidel, Program Administrator  
James Gastineau, Program Administrator's Office  
Lacey Skalicky, Program Administrator's Office  
Elaine Douskey, Iowa Department of Natural Resources

**APPROVAL OF PRIOR BOARD MINUTES**

The minutes from the September 25, 2008 Board meeting were reviewed. Mr. Beech moved to approve the minutes, and Mr. Hall seconded the motion, and by a vote of 4-0, the minutes were approved.

**CLOSED SESSION**

Ms. Burke-Boston noted there were no matters dealing with litigation for discussion in closed session pursuant to Iowa Code Chapter 21. No closed session convened.

**PUBLIC COMMENT**

There were no public comments from anyone present.

## **BOARD ISSUES**

### **A. SIC Model (RBCA) Rule Status**

Mr. Scheidel updated the Board regarding the recalibration of the risk based corrective action (RBCA) model, as recommended by the software investigation committee (SIC), and its status in rule. He noted the next meeting of the Environmental Protection Commission (EPC) was scheduled for November 10, 2008, and the 28E agreement between the Board and the Department of Natural Resources (DNR) with regard to a study of LUST sites would be on the agenda for that meeting. In addition, a notice to change the administrative rules with regard to the recalibration of the RBCA model would be on the agenda, and the DNR had removed other ancillary items from the rule; items with which the Board had expressed concern previously. Mr. Scheidel explained that all parties were in agreement with regard to the rule filing and the 28E agreement, so he expected the meeting to go well.

### **B. DNR FY09 Funding Update**

Mr. Scheidel next presented the Board with a 28E agreement between the Board and the DNR to address the funding shortfalls in the DNR's budget for fiscal year 2009. Pursuant to discussion last month, Mr. Steward had amended the agreement to include language with regard to missed milestones. Mr. Steward noted the Board would not consider a missed milestone as a breach in the agreement, but rather the Fund would hold the quarterly payment until the missed milestone is met. Mr. Beech inquired about payments made after the fiscal year ends. Mr. Scheidel explained that the accounting could be carried over to fiscal year 2010, if necessary.

Mr. Scheidel explained that the Board could discuss and approve the agreement presented at the next meeting, once the EPC has accepted and approved the agreement. He also stated that the Board previously had wanted to further discuss the DNR's plans to pursue change in legislation to acquire funding directly from tank tag fees; next month the Board would have the opportunity to examine the unresolved issue of entering an agreement with DNR for funding in conjunction with its pursuit of legislative funding.

### **C. DNR Update**

Ms. Douskey stated the DNR had nothing to report this month.

## **PROGRAM BILLINGS**

Mr. Scheidel presented the current monthly billings to the Board for approval.

1. Aon Risk Services.....\$122,726.00  
Consulting Services – November 2008 (\$57,513.00)  
Claims Processing Services – November 2008 (\$55,213.00)
2. Attorney General's Office.....\$8,211.25  
Services provided for September 2008

3. Iowa Department of Revenue .....\$2,335.15  
Environmental Protection Charge collections July – Sept 2008
4. Nancy Lincoln.....\$112.32  
Reimbursement for travel to the September 25, 2008 meeting of  
The Iowa UST Fund Board

No additional billings for outside cost recovery counsel were presented by the Attorney General's office for this meeting. On a motion by Mr. Beech and a second by Ms. Lincoln, all billings were approved by a vote of 4-0.

### **MONTHLY ACTIVITY REPORT**

Mr. Scheidel noted that the September activity report and financials were provided for the Board members to review. He noted the \$105,000, shown as paid to the Attorney General's Office in the August 2008 financials, was a processing error at the Treasurer's Office and was reversed. The reversal would be shown in the October financial reports.

The Board discussed at length the causes of the decrease in activity at LUST sites, including responsible parties that were hesitant to move forward with corrective action. The Board discusses community remediation projects to move forward with work at sites with unwilling owners and the pros and cons of the process. Mr. Scheidel recounted that Board Chair, Susan Voss, has sent a letter to the legislative leadership regarding the Board's mission and what was the intent of the legislature in regard to such sites. Ms. Douskey reminded the Board that several LUST sites were at a standstill due to lack of funding, when funding authority was either deferred or otherwise not approved by the Board. She also stated she had a meeting with the corrective action coordinator to discuss sites that were not moving in the direction previously agreed to during corrective action meetings. In addition, the DNR had been holding special project meetings to address stalled sites with responsible party-related issues. Steve Reinders from GAB Robins, claims processors for the IUST Fund, stated that GAB had generated a list of sites for which no responsible party could be found and had met with DNR's legal department in May to obtain help finding a viable responsible party.

Mr. Scheidel stated that he and Ms. Douskey would work together to come up with a list of sites that may be addressed to catalyze further corrective actions to resolve them.

### **ATTORNEY GENERAL'S REPORT**

Mr. Steward stated there was nothing to report from the Attorney General's Office.

## **CLAIM AUTHORITY**

Mr. Gastineau presented the following claim authority requests:

### **1. Site Registration 8607266 – South Federal Properties, LLC, Mason City**

This site was classified low risk following a risk based corrective action (RBCA) Tier III and subsequent site monitoring reports. Previous authority to \$75,000 had been granted, and \$80,729.21 was incurred to date. Additional authority to \$115,000 was requested for an additional site monitoring report (SMR), a possible corrective action design report (CADR), and implementation of the CADR.

A motion to approve the claim authority was submitted by Ms. Lincoln and seconded by Mr. Beech. Approved 4-0.

### **2. Site Registration 8607575 – Valley Restaurant, Inc., Villisca**

This was the second Board report for a site classified high risk for three city drinking water wells, one residential sewer, two non-residential sewers, and three plastic water lines. A previous excavation and the installation of a soil vapor extraction/air sparge (SVE/AS) system was completed at the site. This was successful in remediating a portion of the site, however a down-gradient area beyond the reach of the system was still highly contaminated and the DNR required additional corrective action. An additional excavation was proposed, followed with air sparge and extraction wells to be installed in the backfill and connected to the existing system. Previous authority to \$350,000 had been granted, and \$365,373.86 was incurred to date. Additional authority to \$583,000 was requested for a SMR, the second excavation and system implementation in the backfill.

Mr. Hall submitted a motion to approve the claim authority, and Mr. Rice seconded the motion. Approved 4-0.

### **3. Site Registration 8608197 – Krause Gentle Corp., Parkersburg**

This was the second Board report for a site classified high risk for two city wells and four residential sewers. The previous excavations and remediation system, an ozone generator, did not adequately lower the contaminant levels. The station was closed at this time, and the tanks had been removed. With better access to the contaminant source areas, a second excavation and remediation should better address contaminant levels. Previous authority to \$380,000 had been granted, and \$351,696.98 was incurred to date. Additional authority to \$552,500 was requested for a SMR, implementation of the second excavation and biosparge system, and free product recovery (FPR).

Mr. Beech submitted a motion to approve the claim authority, and Ms. Lincoln seconded the motion. Approved 4-0.

#### **4. Site Registration 8608502 – WOW Service, Inc., New Virginia**

This was the second Board report for a site classified high risk for two plastic water line receptors, one residential sewer, and one non-residential sewer. The previous excavation did not remove all contaminated soil, and a second excavation was proposed. Mr. Gastineau noted that if the site were to be remodeled under the new RBCA Tier II calibration, the plastic water line receptors may fall out of the plume, but the vapor receptors would remain. Previous authority to \$250,000 had been granted, and \$262,116.47 was incurred to date. Additional authority to \$375,000 was requested for a SMR and the second excavation.

Mr. Beech submitted a motion to approve the claim authority, and Mr. Hall seconded the motion. Approved 4-0.

#### **5. Site Registration 8608670 – McGuire's Service Station, Holstein**

This site was classified high risk, and the soil at the site was composed of silty clay. The proposed excavation represented the best technology to address the site. The soil plume was not well-defined, therefore the plume would be defined prior to the excavation. Previous authority to \$75,000 had been granted, and \$16,431.01 was incurred to date. Additional authority to \$180,000 was requested for a SMR, an excavation and tank pull, as well as possible FPR.

Mr. Hall submitted a motion to approve the claim authority, and Mr. Rice seconded the motion. Approved 4-0.

### **CONTRACTS ENTERED INTO SINCE THE SEPTEMBER 25, 2008 BOARD MEETING**

Mr. Scheidel noted that the Board had entered into the following agreements or contracts since the September 25, 2008 Board meeting:

- Administrators contract with Aon for the period of 1/1/09 – 12/31/09
- 4<sup>th</sup> one-year extension of the Bentley (Neola) CRP contract with Barker Lemar Engineering Consultants
- Settlement agreement with McGuire's Service Station for benefits (via appeal)

### **OTHER ISSUES**

Mr. Scheidel stated that Jim Holcomb had indicated to the Governor's Office that he would not seek a third term with the Board in April. Therefore, Mr. Scheidel noted that the Board would have two open seats in April 2009 for the Governor to fill by appointment. He further explained that the two positions were public member positions to include one commercial real estate agent or attorney and one commercial lender by statute.

Mr. Scheidel reported the next Board meeting was scheduled for Thursday, December 11, 2008. Also, he said the Annual Strategic Planning Session was scheduled for Thursday, July 16, 2009 at Honey Creek Resort. He explained that a meeting room at the Resort must be booked immediately, so any conflicts with the date should be noticed as soon as possible.

## **CORRESPONDENCE AND ATTACHMENTS**

Ms. Burke-Boston asked if there was any further business, and there being none, Mr. Beech moved to adjourn, and Mr. Hall seconded the motion. By a vote of 4-0, the Board adjourned at 10:53 A.M.

Respectfully Submitted,

A handwritten signature in black ink, reading "Scott M. Scheidel". The signature is written in a cursive, flowing style with a prominent loop at the end of the last name.

Scott M. Scheidel  
Administrator